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DCI Talking Points

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Spain

The referendum on 12 March decisively reaffirmed Spain's pro-Western orientation. The result will reinforce security cooperation with the West over the longer term, but the US faces tough bargaining with Spain over US force levels and the terms of a new bilateral security agreement. Gonzalez, moreover, will probably move slowly on Spanish military integration into the Alliance.

--He is likely to authorize expanded logistics and communication links with NATO, but will probably shrink from placing Spanish troops under a NATO commander or stationing Spanish troops abroad.

--He also is likely to tie full integration to progress in repatriating Gibraltar--a linkage that will trouble the United Kingdom.

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Gonzalez almost certainly wants an agreement on cutbacks in the US military presence by the end of summer--in time to rally support from leftist voters in the national election scheduled for next fall.

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[redacted]

--Foreign Minister Fernandez-Ordonez has signalled his intention to raise the issue with Secretary Shultz when they meet on 27 May.

--Spanish officials have indicated that they will be primarily concerned with reducing the US presence at Torrejon and Zaragoza air bases. [redacted]

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In trimming the US presence, Gonzalez appears likely to settle in the end for terms acceptable to the US.

--"Cosmetic" changes might go a long way toward meeting his presentational needs--for example, a reduction of about 20 percent in the authorized US troop ceiling, which would put it near the current number of US troops actually stationed in Spain. [redacted]

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[redacted]

--He could also meet some of his needs by relabelling some US facilities as NATO installations. [redacted]

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The Spanish may scale down their goals as they take account of the possibility that cuts in US troop levels will lead to decreases in US infrastructure investments that contribute significantly to the Spanish defense budget.

--Redeployment away from Torrejon and Zaragoza, moreover, would be costly, and the Spanish will have to factor in the possibility

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[redacted]

that Washington would try to make up part of that expense by reducing other types of assistance. [redacted]

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Despite the generally favorable outlook, the path of US-Spanish cooperation is likely to be bumpy.

--Gonzalez's public commitment to reduce the US presence will make talks to renew the bilateral agreement more contentious; past negotiations were rough even without that pressure.

--The Spanish also are sliding away from a promise to US officials that they would not seek a formal agreement on US reductions before the start of talks later this year on renewing the current bilateral base agreement, which expires in 1988. [redacted]

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On the domestic political scene, Gonzalez is in a strong position.

--His middle-of-the-road policies are popular, and his Communist, centrist, and conservative opponents are badly divided and lack political credibility. [redacted]

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But there is still a chance that he could lose his absolute majority in parliament in the elections scheduled for this fall.

--We regard this as an outside possibility that could come about only in the face of an unlikely combination of events; voter concern over Spain's lackluster economic performance grows significantly, if Gonzalez's divided opponents manage to unite behind an appealing candidate, and if Gonzalez runs an uncharacteristically weak campaign.

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--But if Gonzalez did lose his majority, he would have to rely occasionally on support from the Communists or center-left leader Suarez--neither of whom supports strong security relations with the West.



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